

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 6752

BILL NUMBER: HB 1689

DATE PREPARED: Dec 12, 2000

BILL AMENDED:

SUBJECT: Great Lakes Protection Fund.

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FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
FEDERAL

IMPACT: State

STATE IMPACT	FY 2001	FY 2002	FY 2003
State Revenues			
State Expenditures		5,000,000	5,000,000
Net Increase (Decrease)		(5,000,000)	(5,000,000)

Summary of Legislation: This bill appropriates to the Great Lakes Protection Fund \$5,000,000 for FY 2002 and \$5,000,000 for FY 2003. The bill specifies that the money appropriated shall be used to fund pledges made by the state to the Great Lakes Protection Fund. It prohibits the Budget Agency from appropriating money to the Great Lakes Protection Fund until the state becomes a party to the Great Lakes Protection Fund Agreement of 1989.

Effective Date: July 1, 2001.

Explanation of State Expenditures: This bill appropriates to the Great Lakes Protection Fund \$5 M for FY 2002 and \$5 M for FY 2003. Money appropriated shall be used to fund pledges made by the state to the Great Lakes Protection Fund. The Budget Agency may not appropriate money to the Fund until the state becomes a party to the Great Lakes Protection Fund Agreement of 1989.

The Great Lakes Protection Fund, a private, nonprofit corporation, was formed in 1989 by the Governors of the Great Lakes States. The purpose of the Fund is to improve the health of the Great Lakes ecosystem. The Fund supports grant awards, loans, or other investment mechanisms for projects that promote the health of the Great Lakes ecosystems. The Fund's Board of Directors meets quarterly and governs the Fund's operation. The Fund also supports a staff that performs the day-to-day operations.

The Fund was developed as a result of over twenty years of cooperative efforts among the states and Canada to address the lakes' ecological problems. Major initiatives include the 1972 Great Lakes Water Quality Agreement between the United States and Canada; the 1985 Great Lakes Charter, which regulates diversions of Great Lakes water; and the 1986 Toxic Substances Control Agreement, which controls toxic pollutants on a regional basis. The Great Lakes states have pledged \$97 M to create a permanent endowment. The Fund has made 169 grants representing over \$32.2 M in regional projects to improve the health of the Great Lakes ecosystem. The Fund has also returned over \$20 M to its member states to support local activities that address the health of the Great Lakes' ecosystem. Current members include Michigan, Minnesota, New York, Ohio, Pennsylvania, and Wisconsin.

Explanation of State Revenues: The Fund returns portions of its funding to member states and sets up an endowment for future revenues.

Explanation of Local Expenditures:

Explanation of Local Revenues: Local entities could be eligible to receive grants from the Great Lakes Protection Fund.

State Agencies Affected: Department of Natural Resources.

Local Agencies Affected: Local agencies proposing projects to improve the health of the Great Lakes.

Information Sources: Great Lakes Protection Fund website, <http://www.glpf.org/>.